

RESOLUTION NO _____

WHEREAS, the City of Austin, Texas (the "City") plans to issue tax exempt obligations to finance the acquisition, construction, distribution, production, transmission and support of electric utility capital improvement projects (hereinafter collectively referred to as the "Electric Projects"), and

WHEREAS, prior to the issuance of the tax exempt obligations, the City will make expenditures for the Electric Projects from existing funds on hand, and it is the intent of the City to reimburse these funds with the proceeds of sale of the tax exempt obligations, and

WHEREAS, under Treas. Reg § 1.150-2 (the "Regulation"), an official intent to reimburse expenditure with the proceeds of tax exempt obligations must be made within 60 days of the date of the original expenditure, and

WHEREAS, the City desires to preserve its ability to reimburse the expenditures with proceeds of tax-exempt obligations **NOW**,

THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Council reasonably expects to reimburse capital expenditures with respect to the Electric Projects paid with funds on hand from the proceeds of sale of tax exempt obligations hereafter to be issued, and this resolution shall constitute a declaration of official intent under the Regulation. The maximum principal amount of tax exempt obligations expected to be issued for the Electric Projects is \$137,000,000.

ADOPTED _____, 2007

ATTEST. _____

Shirley A. Gentry
City Clerk